

**Government of the District of Columbia
Office of the Chief Financial Officer**

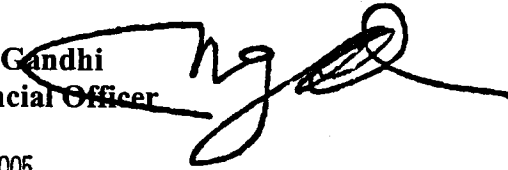


Natwar M. Gandhi
Chief Financial Officer

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CHAIRMAN, CROPP

MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: SEP 19 2005

SUBJECT: Fiscal Impact Statement: "District of Columbia Disaster, Relocation and Recovery Assistance Emergency Act of 2005"

REFERENCE: Draft Legislation to be Introduced – No Number Available

Conclusion

Funds are sufficient in the FY 2005 budget and the FY 2006 through FY 2009 budget and financial plan to implement the proposed emergency legislation. The fiscal effects of the proposed legislation will be revenue/expenditure neutral because the Federal government will reimburse the District for the disaster assistance.

Background

As a result of the Hurricane Katrina natural disaster impacting the State of Louisiana, the District of Columbia is providing shelter and assistance to persons evacuated from areas of that state that are no longer considered habitable. The D.C. Armory serves as a temporary shelter and District agencies have been mobilized to assist and manage the needs of the evacuees.

The proposed legislation provides the legal authority for the Mayor and District agencies to expend funds and provide services, including food stamps, health care, shelter and education, to persons who are not residents of the District of Columbia. It also provides the legal authority to waive documentation requirements normally required for eligibility for such services.

Financial Plan Impact

Funds are sufficient in the budget and financial plan to implement the proposed emergency legislation. All local expenditures for additional staff, goods, services and resources will be charged to the Federal government. Under federal law, the District will be reimbursed at a 100 percent level for the disaster expenses. In a September 6, 2005 letter to the President, the Mayor requested reimbursement of 100 percent for these expenses and estimated the initial cost of local relief efforts to be \$4 million. If costs exceed this estimate, the District would need to submit documentation to the Federal government to receive reimbursement for the increased costs. The Executive Branch of the U.S. Government has declared the District to be eligible for such assistance.